



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

October 24, 2003

**S. 1643**

**A bill to exempt certain coastal barrier property from financial assistance and flood insurance limitations under the Coastal Barrier Resources Act and the National Flood Insurance Act of 1968**

*As ordered reported by the Senate Committee on Environment and Public Works  
on October 15, 2003*

CBO estimates that enacting S. 1643 would have no significant impact on the federal budget. The bill could affect direct spending, but we expect that net changes in direct spending would be negligible.

S. 1643 would exempt four specified housing lots located within the Edisto Complex of the South Carolina Unit of the Coastal Barriers Resource System from existing federal laws that prevent the owners from obtaining coverage under the national flood insurance program. CBO expects that enacting the bill would enable the owners to obtain such insurance beginning in fiscal year 2004 or 2005. Therefore, we estimate that enacting the bill would result in a negligible increase in insurance premium collections to the national flood insurance fund. Collections would be partially offset by new mandatory spending for underwriting and administrative expenses. The federal government could incur additional costs for losses caused by any future floods affecting those properties, but CBO has no basis for predicting such events.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Deborah Reis. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.